Message Text

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UNCLAS OTTAWA 06853

E.O. 11652:N/A

TAGS: ENRG, SENV, CA

SUBJECT: PRIME MINISTER COMMENTS ON CANADIAN PIPELINE

1. FOLLOWING EXCHANGE RE CANADIAN PIPELINE CONSTRUCTION EXCERPTED FROM PRIME MINISTER TRUDEAU'S PRESS CONFERENCE IN OTTAWA JULY 28:

BEGIN QUOTE.

Q. JUST A COUPLE OF HOURS AGO IN THIS ROOM A GROUP, I THINK IT IS CALLED THE ENVIRONMENTAL ASSESSMENT PANEL, CAME DOWN AND SUBMITTED A REPORT WHICH GIVES THE GREEN LIGHT ON ENVIRONMENTAL CONCERNS TO THE ALCAN PIPELINE PROPOSAL. NOW, THAT SEEMS TO SET QUITE A PRECEDENT AS FAR AS THE NUMBERS OF INDIVIDUALS OR AGENCIES WHO HAVE BEEN ENDORSING THAT LINE. WE HAVE HAD THE NEB. WE HAVE HAD JUDGE BERGER. IF A PIPELINE IS TO BE BUILT, IS IT NOT AT THIS POINT ACADEMIC OR A FAIT ACCOMPLITHAT THE PIPELINE WILL BE THE ALCAN PIPELINE?

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A. NO. I CAN'T IN ALL SINCERITY SAY THAT IT IS NOT. IT IS NOT EVEN DECIDED THAT THE PIPELINE SHOULD BE BUILT IN THE IMMEDIATE FUTURE AND THEREFORE THE PARTICULAR PATH THAT IT WILL FOLLOW HAS NOT BEEN DECIDED.

THE ONLY THING I THINK I CAN SAFELY SAY IS THAT BECAUSE OF THE MULTIPLICITY OF THESE REPORTS AND BECAUSE OF THE

VARIETY OF CONCERNS WHICH HAVE TO DO NOT ONLY WITH ENERGY AND ITS TRANSPORTATION BUT WITH THE FINANCIAL IMPLICATIONS, ITS JOB CREATION IMPLICATIONS, WITH THE RIGHTS OF THE NATIVE PEOPLES IN THE NORTH, WITH THE ENVIRONMENT, THEY HAVE TO DEAL OBVIOUSLY WITH THE PROBLEM OF FOREIGN AFFAIRS IN RELATION TO THE UNITED STATES --BECAUSE OF THIS COMPLEXITY IT IS INEVITABLE THAT IF WE DO BUILD A PIPELINE, IT WILL HAVE TO BE BY LEGISLATION. IN OTHER WORDS, WE WILL HAVE TO COME TO PARLIAMENT WITH A LAW SAYING THAT (A) WE ARE BUILDING THE PIPELINE AND, (B) THIS IS THE ROUTE, AND, (C) THIS IS WHAT WE WILL DO INSOFAR AS FINANCING AND, (D) THIS IS THE MEASURES WE ARE TAKING FOR THE ENVIRONMENT AND, (E) THIS IS THE KIND OF CONTRACT WE ARE HAVING WITH THE UNITED STATES. I MEAN, I AM JUST MAKING THE POINT THAT IT WOULD BE A VERY COMPLEX SERIES OF DECISIONS WHICH I THINK WOULD BE BEST DEBATED BY PARLIAMENT AND THEREFORE WOULD BE IN THE FORM OF LEGISLATION, IF WE DECIDE TO BUILD A PIPELINE.

Q. ARE YOU SAYING THAT IF A PIPELINE IS TO BE BUILT THROUGH CANADA THAT IT IS STILL POSSIBLE THAT THE ARCTIC GAS CONSORTIUM MIGHT BE THE WINNER IN THIS?

A. I THINK IT SHOULDN'T BE ELIMINATED WITHOUT THE KIND OF STUDY THAT CABINET IS ENGAGED IN NOW WITH A GROUP OF MINISTERS. IT SHOULDN'T BE ELIMINATED WITHOUT OUR UNCLASSIFIED

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DISCUSSIONS WITH THE UNITED STATES HAVING COME TO A CONCLUSION AND IT IS SOMETHING THAT STILL HAS TO BE DECIDED SO I WOULDN'T ELIMINATE ANY ROUTE NO MORE THAN THE AMERICANS HAVE ELIMINATED THE EL PASO ROUTE.

Q. I THINK I MIGHT HAVE MISUNDERSTOOD YOUR PREVIOUS ANSWER ON THE PIPELINE. PERHAPS YOU COULD CLARIFY IT. AS FAR AS I UNDERSTAND, THE GOVERNMENT WILL APPROVE THE FOOTHILLS PIPELINE AS A RESULT OF THE RECOMMENDATION BY THE ENERGY BOARD WITHOUT ANY LEGISLATION, JUST BY ORDERIN-COUNCIL. WOULD YOU BE WILLING TO, OR WOULD YOU CONTEMPLATE LEGISLATION EVEN TO APPROVE THE FOOTHILLS PIPELINE? OR WOULD THAT JUST BE A PRIORITY GAP?

A. NO. I THINK IT IS A QUESTION WHICH PERMITS ME TO RE-ASSERT WHAT I DID IN ANSWER TO THE PREVIOUS QUESTION. YOU ARE QUITE RIGHT. THE NEB HAS ISSUED A RECOMMENDATION. I SUPPOSE IN A SENSE ONE COULD SAY, WELL, THE PIPELINE WILL BE BUILT BUT THE NEB, IN OUR VIEW, WITHOUT MAKING ANY PUBLIC ASSESSMENT OF THE VALUE OF ITS JUDGMENT, THE NEB WAS MAKING A JUDGMENT AS A QUASI-JUDICIAL BODY. THE ARGUMENT I WAS MAKING EARLIER IS THAT A PIPELINE WILL BE EXTREMELY COMPLEX. IT WILL INVOLVE THE ENVIRONMENT, THE NATIVE PEOPLE, THE FINANCIAL IMPLICATIONS, U.S. - CANADA RELATIONS AND SO ON, AND THEREFORE I THINK IT WOULD BE MORE IN KEEPING WITH THE SPIRIT OF PARLIAMENTARIANISM IF RATHER THAN JUST ACT BY ORDER-INCOUNCIL OR THROUGH THE NATIONAL ENERGY BOARD ISSUING A LICENCE, WE BROUGHT THE SUBJECT BEFORE PARLIAMENT AND I SAID THAT IS WHAT WE INTEND TO DO BY WAY OF A LAW SHOULD WE DECIDE TO BUILD THE PIPELINE. END QUOTE.

2. EMBASSY COMMENTS FOLLOW IN SEPTEL. ENDERS

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